

# NEW APPLICATION

## ORIGINAL



0000018068

### BEFORE THE ARIZONA CORPORATION COMMISSION

#### COMMISSIONERS

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES

Arizona Corporation Commission

DOCKETED

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*CAK*

AZ CORP COMMISSION  
DOCUMENT CONTROL

2005 MAR - 4 P 4: 27

RECEIVED

IN THE MATTER OF THE APPLICATION OF  
SOUTHWEST TRANSMISSION COOPERATIVE,  
INC. FOR PERMISSION TO APPLY THE  
PROCEEDS OF PREVIOUSLY AUTHORIZED  
INDEBTEDNESS TO A DIFFERENT PURPOSE

Docket No. E-04100A-

APPLICATION

E-04100A-05-0151

Pursuant to A.R.S. 40-302.C, in support of its Application, Southwest Transmission Cooperative, Inc. ("SWTC") states as follows:

1. SWTC is a non-profit, member-owned cooperative which provides wholesale transmission service to its members and other patrons.

2. This Application is submitted without waiver of SWTC's position that it is not a public service corporation pursuant to Article 15 of Arizona's Constitution.


3. On December 19, 2002, the Commission issued Decision No. 65473 (the "Decision") authorizing SWTC to borrow from the Rural Utilities Service/Federal Financing Bank an amount not to exceed \$30,853,000 to finance its revised 2001-2004 construction work plan ("Revised Work Plan").

4. Because other projects in the Revised Work Plan have been constructed for less cost than original estimates, SWTC recently decided to seek a further amendment to its Revised Work Plan to include financing for the Sandario Project. A copy of the December 14, 2004 Resolution of SWTC's Board of Directors approving the amendment is attached as Exhibit A.



1 **Original and thirteen** copies filed this  
2 4<sup>th</sup> day of March, 2005, with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington  
6 Phoenix, Arizona 85007

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**EXHIBIT A**

**SOUTHWEST TRANSMISSION COOPERATIVE, INC.**  
Benson, Arizona

The following resolution was adopted at a **regular meeting** of the Board of Directors of Southwest Transmission Cooperative, Inc. (SWTransco), held in Benson, Arizona on December 14, 2004.

**RESOLUTION**

***WHEREAS**, the Board of Directors of Southwest Transmission Cooperative, Inc. (SWTransco) has previously approved the 2001-2004 Construction Work Plan and Amendment Nos. 1, 2 and 3 to the 2001-2004 Construction Work Plan; and*

***WHEREAS**, Rural Utilities Service (RUS) regulation 7 CFR 1710 requires that any amendment to the 2001-2004 Construction Work Plan be approved by the Board of Directors and by RUS; and*

***WHEREAS**, Management has prepared Amendment No. 4, dated November 2004, to the 2001-2004 Construction Work Plan which proposes an increase in the estimated amount of the 2001-2004 Construction Work Plan from \$30,803,510.00 to \$30,839,407.00; and*

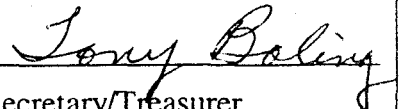
***WHEREAS**, it is the recommendation of Management that Amendment No. 4 to the 2001-2004 Construction Work Plan be approved; and*

***WHEREAS**, the SWTransco Board has reviewed the recommendation of Management and deems it to be in the best interest of SWTransco and its member-consumers to approve Amendment No. 4 to the 2001-2004 Construction Work Plan;*

***NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors of Southwest Transmission Cooperative, Inc., approves Amendment No. 4, dated November 2004, to the 2001-2004 Construction Work Plan in the revised estimated amount of \$30,839,407.00; and*

***BE IT FURTHER RESOLVED**, that the Board of Directors of SWTransco hereby requests approval from the RUS of Amendment No. 4 to the 2001-2004 Construction Work Plan.*

I, Tony Boling, do hereby certify that I am Secretary/Treasurer of SWTransco, and that the foregoing is a true and correct copy of the Resolution adopted by the Board of Directors at a **regular meeting** held on December 14, 2004.

  
Secretary/Treasurer

(schl)

**EXHIBIT B**



JAN 18 2005

United States Department of Agriculture  
Rural Development

Rural Business-Cooperative Service • Rural Housing Service • Rural Utilities Service  
Washington, DC 20250

Mr. Larry D. Huff  
Senior Vice President and Chief Executive Officer  
Southwest Transmission Cooperative, Inc.  
P.O. Box 2195  
Benson, Arizona 85602

Dear Mr. Huff:

The Rural Utilities Service (RUS) has reviewed and hereby approves Amendment No. 4 to the **2001-2004 Construction Work Plan (CWP)** as submitted with Southwest Transmission Cooperative's (SWTC) letter, dated December 20, 2004 and follow-up materials received on January 11, 2005.

The projects in the Amendment have previously received RUS' environmental approval.

As Trico Electric Cooperative (Trico) is an active RUS borrower, no Rural Electrification Act Beneficiary analysis is required. The Sandario Substation and associated transmission line were included in Trico's 2004-2007 Construction Work Plan which was approved by RUS on January 12, 2004.

If you should have any questions regarding this approval, please contact Bard Jackson at (202) 720-1406.

Sincerely,

STEVEN M. SLOVIKOSKY  
Chief, Power Delivery Engineering Branch  
Power Supply Division

